

**MEETING NO. 4217
JOURNAL OF PROCEEDINGS
BOARD OF TRUSTEES OF THE GENERAL RETIREMENT SYSTEM
OF THE CITY OF DETROIT
HELD WEDNESDAY, SEPTEMBER 05, 2018**

10:00 A.M.

RETIREMENT SYSTEMS' CONFERENCE ROOM
ALLY DETROIT CENTER, 500 WOODWARD; SUITE 3000
DETROIT, MICHIGAN 48226

TRUSTEES PRESENT

Wendell Anthony	Trustee
Lori Cetlinski	Trustee/ Vice- Chairperson
Tasha L. Cowan	Trustee
Kimberly Hall-Wagner	Trustee
John Naglick	Ex-Officio Trustee/Finance Director
Crystal Perkins	Trustee
June Nickleberry	Trustee/Chairperson
Thomas Sheehan	Trustee

TRUSTEES EXCUSED

Scott Benson	Ex-Officio Trustee/City Council Member
Christa Mclellan	Ex-Officio Trustee/City Treasurer

TRUSTEES ABSENT

None

ALSO PRESENT

David Cetlinski	Executive Director
Gail A. Oxendine	Assistant Executive Director
Ryan Bigelow	Chief Investment Officer
Michael VanOverbeke	General Counsel
TaKneisha Johnson	Administrative Assistant IV

STAFF EXCUSED

None

CHAIRPERSON

June Nickleberry

The Board's Administrative Assistant took a verbal Roll Call at 10:08 a.m. and Chairperson Nickleberry called the meeting to order.

Present at Roll Call: Lori Cetlinski, Tasha L. Cowan, Kimberly Hall Wagner, Crystal Perkins, Thomas Sheehan and Chairperson Nickleberry

Re: Legacy Plan Service Retirement(s)

Motion By: Trustee Sheehan - Supported By: Trustee Cowan

RESOLVED, that the application(s) for retirement from the **COMPONENT II (LEGACY) PLAN** as outlined below be hereby APPROVED:

NAME, TITLE, DEPARTMENT	Joetta Allen-Brewer – Serv Guard-General - Transportation
SERVICE CREDIT	26-07
EFFECTIVE DATE	08-08-18
NAME, TITLE, DEPARTMENT	Phillip M. Clayton – RCPO - DPW
SERVICE CREDIT	23-08
EFFECTIVE DATE	09-11-18
NAME, TITLE, DEPARTMENT	Henry E. Foutner – TEO - Transportation
SERVICE CREDIT	29-00
EFFECTIVE DATE	07-24-18
NAME, TITLE, DEPARTMENT	Lloyd G. Harrison - TEO - Transportation
SERVICE CREDIT	28-00
EFFECTIVE DATE	08-02-18
NAME, TITLE, DEPARTMENT	Virginia M. Ramsey – Field Svc Tech – Water & Sewerage
SERVICE CREDIT	27-06
EFFECTIVE DATE	07-23-18

Re: Legacy Plan Service Retirement(s)- Continued

NAME, TITLE, DEPARTMENT	Gloria D. Reed – Librarian II - Library
SERVICE CREDIT	14-09
EFFECTIVE DATE	10-17-18
NAME, TITLE, DEPARTMENT	Gwendolyn Young – Emerg Svcs Deploy
SERVICE CREDIT	Op – Police (Civilian)
EFFECTIVE DATE	28-02
EFFECTIVE DATE	07-29-18

Yea: Cetlinski, Cowan, Hall-Wagner, Perkins, Sheehan and Chairperson Nickleberry– 6

Nay: None

Re: Legacy Plan Vested Retirement(s)

Motion By: Trustee Sheehan - Supported By: Trustee Cowan

RESOLVED, that the application(s) for **VESTED RETIREMENT** as outlined below be hereby APPROVED:

NAME, TITLE, DEPARTMENT	Anthony N. Ezeanya – Senior Accountant – Human Services
SERVICE CREDIT	18-06
EFFECTIVE DATE	08-01-18
NAME, TITLE, DEPARTMENT	Loretta Green – Appraiser II - Finance
SERVICE CREDIT	17-00
EFFECTIVE DATE	08-01-18
NAME, TITLE, DEPARTMENT	Kenneth W. Kimble – Senior Line Worker – Public Lighting
SERVICE CREDIT	14-07
EFFECTIVE DATE	04-01-18
NAME, TITLE, DEPARTMENT	Llenda Jackson-Leslie – CC Adm Asst-III – City Council
SERVICE CREDIT	10-02
EFFECTIVE DATE	07-01-18

Re: Legacy Plan Vested Retirement(s)- Continued

NAME, TITLE, DEPARTMENT	Sharon Quincy – Supvg Nutrnst-Gr I – Health
SERVICE CREDIT	16-04
EFFECTIVE DATE	08-01-18
NAME, TITLE, DEPARTMENT	Jerome M. Taylor – Auto Repair Sub- Foreman - DPW
SERVICE CREDIT	10-07
EFFECTIVE DATE	07-01-18

Yea: Cetlinski, Cowan, Hall-Wagner, Perkins, Sheehan and Chairperson Nickleberry– 6

Nay: None

Re: Change of Computation(s)

Motion By: Trustee Sheehan - Supported By: Trustee Cowan

RESOLVED, that the application(s) for **CHANGE OF COMPUTATION** as outlined below be hereby APPROVED:

NAME, TITLE, DEPARTMENT	Eglar Joyce Johnson – Laborer A – General Services
SERVICE CREDIT	18-11
EFFECTIVE DATE	5-11-18

Yea: Cetlinski, Cowan, Hall-Wagner, Perkins, Sheehan and Chairperson Nickleberry– 6

Nay: None

Re: Hybrid Plan Service Retirement(s)

Motion By: Trustee Sheehan - Supported By: Trustee Cowan

RESOLVED, that the application(s) for retirement from the **COMPONENT I (HYBRID) PLAN** as outlined below be hereby APPROVED:

NAME, TITLE, DEPARTMENT	Glenn Ford – TEO - Transportation
SERVICE CREDIT	00-09
EFFECTIVE DATE	08-01-15

NAME, TITLE, DEPARTMENT	Lloyd G. Harrison - TEO - Transportation
SERVICE CREDIT	04-01
EFFECTIVE DATE	08-02-18

Yea: Cetlinski, Cowan, Hall-Wagner, Perkins, Sheehan and Chairperson Nickleberry– 6

Nay: None

Re: Change of Effective Date

Motion By: Trustee Sheehan - Supported By: Trustee Cowan

RESOLVED, that the application(s) for retirement and **CHANGE OF EFFECTIVE DATE** as outlined below be hereby APPROVED:

NAME, TITLE, DEPARTMENT	Herman McMurray, Jr. – General Auto Mechanic - Transportation
SERVICE CREDIT	04-00
FROM:	06-16-18
TO:	09-01-18

Yea: Cetlinski, Cowan, Hall-Wagner, Perkins, Sheehan and Chairperson Nickleberry– 6

Nay: None

Re: AUTO-II Spouse

Motion By: Trustee Sheehan - Supported By: Trustee Cowan

RESOLVED, that the application(s) for retirement from the **AUTO-II Spouse** as outlined below be hereby APPROVED:

NAME, TITLE, DEPARTMENT	Natasha Murphy (Gerry D. Murphy – Deceased) – General Auto Mechanic - Transportation
SERVICE CREDIT	24-07
EFFECTIVE DATE	07-18-18

Yea: Cetlinski, Cowan, Hall-Wagner, Perkins, Sheehan and Chairperson Nickleberry– 6

Nay: None

GENERAL RETIREMENT SYSTEM
CITY OF DETROIT

MEETING NO. 4217
SEPTEMBER 05, 2018

RECEIPTS: The Board received the following receipts for Acknowledgment:

Cash Receipts		HYBLIQRES		R/C	Receipt
RSCD-General		Start Date: 8/13/2018			
End Date: 8/31/2018					
Doc. Date	Module	Tran. Type	Doc. Nbr.	Description	R/C
8/17/2018	CA	Cash Entry	001148	Employee Contributions After Tax Annuity 8/17/18	R/C 154,062.18
8/17/2018	CA	Cash Entry	001149	Employee Mandatory Pre-Tax Pension 8/17/18	R/C 261,251.92
8/24/2018	CA	Cash Entry	001157	Employee Annuity Contributions After Tax 8/24/18	R/C 77,615.57
8/24/2018	CA	Cash Entry	001158	Employee Mandatory Pension 8/24/18	R/C 110,477.11
8/31/2018	CA	Cash Entry		Employee Annuity Contributions After Tax 8/31/18	R/C 154,205.47
8/31/2018	CA	Cash Entry		Employee Mandatory Pension 8/31/18	R/C 260,958.22
					<u>1,018,570.47</u>

Cash Receipts		LIQ RESERV		R/C	Receipt
RSCD-General		Start Date: 8/13/2018			
End Date: 8/31/2018					
Doc. Date	Module	Tran. Type	Doc. Nbr.	Description	R/C
8/16/2018	CA	Cash Entry	001139	Loan Deduction Program 8/10/18 (\$38,618.86)	R/C 38,618.86
8/23/2018	CA	Cash Entry	001161	Loan Deduction Program 8/17/18 (\$34,764.22)	R/C 34,764.22
					<u>73,383.08</u>

Total Receipts 1,091,953.55

GENERAL RETIREMENT SYSTEM
CITY OF DETROIT
Re: Fees and Expenses

MEETING NO. 4217
SEPTEMBER 05, 2018

Resolution Moved By: Trustee Sheehan- Supported By: Trustee Cowan

WHEREAS, the Board has been presented with the List of Disbursements for Board Approval which is referenced below requesting payment for Fees and Expenses, and

WHEREAS, the Board has been requested to approve payment of said Fees and Expenses; **THEREFORE BE IT**

RESOLVED, that subject to staff audit and approval of all Legal Fees by the Board's General Counsel, the Board **APPROVE** payment of the following Fees and Expenses:

Page: 1 of 2
Disbursements Date: 8/31/2018 9:07 AM

Account	Payment Met	Currency	
F ACCT PAY	ACH	US	
Vendor Name	Invoice Number	Invoice Description	Amount To Pay
500 WEBWARD LLC	902099	Electrical Billing: 7/31/18-8/30/18, Meter #16055044	643.12
500 WEBWARD LLC	902100	Electrical Billing: 7/31/18-8/30/18, Meter #16055070	800.98
ADP, INC	519677089	Check Printing Services	582.80
BRANDYWINE GLOBAL INVESTMENT MGMT	20180630-224-5100-A	Management Fees 2nd Qtr '18	66,136.59
CLARK HILL, PLC	796254	Donald V. Watkins (Tradewinds Airlines) for June 30, 2018	219.73
CLARK HILL, PLC	796255	Onyx Capital Litigation for June 30, 2018	2,909.13
CLARK HILL, PLC	796259	Todd Interests, Inc. for June 30, 2018	8.93
FRANK RUSSELL COMPANY	1652004627	Russell Indexes Standard Service 4/1/18-6/30/18	125.00
PROCENTIA, INC	2282	Procentia Implementation	63,843.75
TGAM Churchill Middle Market Sr Loan Fund	082418	Capital Call	1,882,569.49
UHY Advisors MI, Inc.	1259489	Professional Accounting Services for June 2018	14,437.50
UHY Advisors MI, Inc.	1261446	Professional Accounting Services for July 2018	34,912.50
ULTIMATE PARKING MANAGEMENT LLC	171235	Parking - September 2018	2,222.00
Bridgett Hardy	082918BH	IT Contractual Wages - August 2018	4,514.11
James R. Hollins	082918JH	IT Contractual Wages - August 2018	3,341.79
Raymond R. Tchou	082918RT	IT Contractual Wages - August 2018	5,574.98
Scott D. Vrooman	082918SV	IT Contractual Wages - August 2018	1,155.38
Venkat Rallapalli / Highbrow Systems, Inc.	082918VR	IT Contractual Wages - August 2018	5,995.71
Cash Account/Payment Method Total:			18 Documents
			2,089,993.49

F ACCT PAY	CHECK	US	
Vendor Name	Invoice Number	Invoice Description	Amount To Pay
CANON SOLUTIONS AMERICA, INC	4026744014	Copier Maintenance	78.48
COMCAST	081718	High Speed Internet	182.83
FEDEX	6-269-10876	FedEx Mailing	24.09
First CHOICE Coffee Services	567056	Coffee Supplies	91.75
IRON MOUNTAIN	141567	Data Domain Service	1,151.25
IRON MOUNTAIN	148784	Data Domain Service	1,688.50
IRON MOUNTAIN	150123	Data Domain Service	1,396.85

Re: Fees and Expenses- Continued

F ACCT PAY	CHECK	US	
Vendor Name	Invoice Number	Invoice Description	Amount To Pay
IRON MOUNTAIN	201666078	Storage CDs	718.16
OFFICE DEPOT	181643243001	Office Supplies	32.38
OFFICE DEPOT	181643245001	Office Supplies	83.94
QUILL CORPORATION	9292140	Office Supplies	182.73
RACINE & ASSOCIATES	12360	DGRS v. Capozzoli - July 2018	748.60
RACINE & ASSOCIATES	12361	DGRS v. Gracia - June & July 2018	1,612.13
THOMAS SHEEHAN	081518TS	Trustee Parking	82.00
Cash Account/Payment Method Total:		14 Documents	8,073.69

* Payment amount is estimated based on the effective date 8/31/2018

Yea: Cetlinski, Cowan, Hall-Wagner, Perkins, Sheehan and Chairperson Nickleberry– 6

Nay: None

Re: Refunds of Accumulated Contributions

Motion By: Trustee Sheehan - Supported By: Trustee Cetlinski

RESOLVED, that the contributions to the Annuity Savings Fund by members of the General Retirement System, as set forth:

List No. 7375 - \$514,572.47

List No. 7377 - \$589,311.18

Including interest, be **REFUNDED**, pending audit by the Retirement Systems' Accounting Staff.

Yea: Cetlinski, Cowan, Hall-Wagner, Perkins, Sheehan and Chairperson Nickleberry– 6

Nay: None

Re: Employee Loan Program August 22, 2018

Motion By: Trustee Sheehan - Supported By: Trustee Cetlinski

RESOLVED, that the disbursements for the Employee Loan Program by members of the General Retirement System, as set forth in the amount of: **\$7,140.00** including interest, be hereby **APPROVED**.

Yea: Cetlinski, Cowan, Hall-Wagner, Perkins, Sheehan and Chairperson Nickleberry– 6

Nay: None

Re: Employee Loan Program August 29, 2018

Motion By: Trustee Sheehan - Supported By: Trustee Cetlinski

RESOLVED, that the disbursements for the Employee Loan Program by members of the General Retirement System, as set forth in the amount of: **\$39,723.00** including interest, be hereby **APPROVED**.

Yea: Cetlinski, Cowan, Hall-Wagner, Perkins, Sheehan and Chairperson Nickleberry– 6

Nay: None

Re: Employee Loan Program September 05, 2018

Motion By: Trustee Sheehan - Supported By: Trustee Cetlinski

RESOLVED, that the disbursements for the Employee Loan Program by members of the General Retirement System, as set forth in the amount of: **\$29,168.00** including interest, be hereby **APPROVED**.

Yea: Cetlinski, Cowan, Hall-Wagner, Perkins, Sheehan and Chairperson Nickleberry– 6

Nay: None

Re: Minutes/Journal No. 4215 – (08/02/18)

Motion By: Trustee Sheehan - Supported By: Trustee Cetlinski

RESOLVED, that the Minutes/Journal of Proceedings of the General Retirement System of the City of Detroit, of Meeting **No. 4215**, held on **August 02, 2018**, be hereby **APPROVED** as recorded and submitted.

Yea: Cetlinski, Cowan, Hall-Wagner, Perkins, Sheehan and Chairperson Nickleberry– 6

Nay: None

ASSISTANT EXECUTIVE DIRECTOR'S REPORT

Assistant Executive Director, **Gail A. Oxendine**, had no formal report, but addressed the following with the Board of Trustees:

- NEPC will conduct Trustee training following the Board meeting on September 19th, 2018
- Gabriel Roeder Smith and Company will present at the September 19th, 2018 Employee Benefit Plan meeting

EXECUTIVE DIRECTOR'S REPORT

Executive Director, **David Cetlinski**, had no formal report, but addressed the following with the Board of Trustees:

- Paycard update
- Deputy Chief Accounting Officer/ RSCD position update
 - The candidate will be chosen once the Police and Fire Board appoints a Trustee to the Joint Personnel Committee

Trustee Cowan inquired as to when Retirees will have the option to make address changes and direct deposit changes on the website.

- Currently, Retirees have the option to perform an address change on the RSCD website.

➤ ***Trustee John Naglick entered the Boardroom at 10:12 a.m.***

CHIEF INVESTMENT OFFICER'S REPORT

Chief Investment Officer **Ryan Bigelow** had no formal report, addressed the following matters with the Board:

- Audit update
- Next Investment Committee meeting: **Monday September 10th, 2018**
 - Budget presentation, New England Pension Consultants will address risk parity and asset allocation and pacing plan.
- GAM Portfolio Liquidation

GENERAL COUNSEL'S REPORT

General Counsel Michael VanOverbeke, in addition to his legal report, discussed the following matters with the Board:

- **Rules of Procedure**
 - General Counsel has made additional revisions to this policy which incorporates a number of discussed items. Copies were distributed to the Board at the meeting for review and comment with the adoption of the policy anticipated at a future meeting.
 - **Hubert Draw FOIA request**
 - Demand letter from attorney on behalf of Hubert Draw/FOIA Request. Definitive action is required at the next Board meeting.
 - **Gateway Marketplace Litigation**
 - Acknowledge receipt of engagement letter with the Miller Firm
 - **Joseph Capozzoli; Capozzoli Advisors for Pensions**
 - Direct Special Legal Counsel to proceed with litigation strategy
 - **Public Act 202 of 2017; Uniform Actuarial Assumptions**
- ***Trustee Wendell Anthony entered the Boardroom at 10:58 a.m.***

Re: Retention of Special Legal Counsel- the Miller Firm

Motion By: Trustee Sheehan - Supported By: Trustee Naglick

Motion to acknowledge receipt of August 17, 2018 engagement letter with the Miller Firm and acknowledge acceptance of the agreement by the Board's General Counsel. The Motion passed by a unanimous vote.

GENERAL COUNSEL'S REPORT- Continued

Re: Joseph Capozzoli Litigation

Motion By: Trustee Hall-Wagner - Supported By: Trustee Sheehan

Motion to authorize Special Legal Counsel Racine and Associates to continue to represent the General Retirement System with respect to the bankruptcy proceedings filed by Joseph Capozzoli and appear on behalf of the General Retirement System with respect to the Creditor meeting; subject to a cap of \$10,000.00.

The Motion passed by a unanimous vote.

Re: Proposed PA 202 Uniform Assumptions from State Treasurer

Motion by: Trustee Perkins – Supported by: Trustee Sheehan

Motion to acknowledge review and receipt of the draft correspondence to the State Treasurer and to direct that a copy be placed on Board letterhead and sent to the State Treasurer requesting that a range of actuarial assumptions be considered for PA 202 reporting purposes, rather than the definitive assumptions that Treasury has recently proposed. The Motion passed by a unanimous vote.

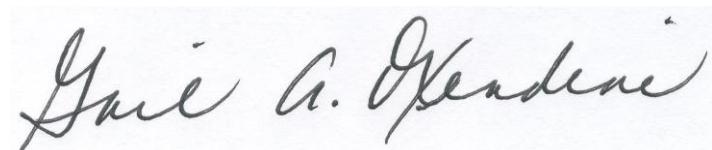
NEW BUSINESS/OLD BUSINESS

- New VEBA Trusts
- The Annuity Loan program for the Hybrid (if on track) will be available by February 2019.
- Curtis Lyons, Financial Advisor from New York Life had questions for the Board of Trustees regarding (a.) Rollovers and written directions from the members requesting that their pre-tax contributions go into their designated accounts; and (b.) whether the Retirement system sends a revised 1099 in the event the member has incorrectly directed transfer to a non-qualified account in error.
 - Per Executive Director David Cetlinski, funds are sent to the account that the member specifies; revised 1099's aren't provided.

ADJOURNMENT

There being no further business before the Board, **Chairperson Nickleberry** adjourned the meeting at 11:10 a.m. The Board's next meeting is scheduled for **Wednesday, September 20th, 2018**, at 10:00 a.m. at the **C.A.Y.M.C.** in the Labor Relations' Conference Room, 2 Woodward Avenue; Room 302; Detroit, Michigan 48226.

RESPECTFULLY SUBMITTED,

A handwritten signature in black ink, appearing to read "Gail A. Oxendine".

GAIL A. OXENDINE, ASSISTANT EXECUTIVE DIRECTOR